

MAY -8 1998

State of the City
March 17, 1998
Council Chambers, Old City Hall, Berkeley

UNIVERSITY OF CALIFORNIA

Good evening, Supervisor Keith Carson, Councilmembers, City Manager James Keene and my fellow Berkeleyans.

Happy St. Patrick's Day! Berkeley's namesake, George Berkeley, Bishop of Cloyne, was Irish. He never came to California, but he wrote a poem that inspired the founders of our University to name this place Berkeley. His poem declared "Westward the course of empire takes its way, the four first acts already past, a fifth shall close the drama with the day, time's noblest offspring is the last." Berkeley is time's noblest offspring. So, happy St. Patrick's Day, George, and to all of us, as tonight we celebrate the indomitable spirit of a great people, and the greatest city on this or any other planet.

In this, my third State of the City address, I will speak in celebration of Berkeley and share with you a vision for our community. With only 654 days left in the 20th Century, now is the time to build the community that fulfills our hopes - a community for the millennium-a community of partnership, opportunity and hope.

I approach this year with a strong sense of optimism - Berkeley is a magically beautiful place, full of human resources and energy, a small town with an international reputation. Berkeley is the living example of what is meant by the celebration of the urban place. This past year we saw 14 Oscars come to Berkeley and shortly after, the Berkeley Repertory Theater brought home a Tony award for best theater. Take a bow, Susie Medak. Metropolitan Magazine named Berkeley's Fourth Street as one of the 5 best shopping streets in America. That wonderful area's latest addition is Cody's Bookstore, a home grown business. Thank you Andy Ross. We are the home to the Number 1 public university in the United States - a conclusion that is not hype but reached by a serious, independent study! Irene Hegarty, from the University, take a bow. The brilliant faculty and students, stand up students from my Student Advisory Committee, and the world-class events that occur in connection with the campus truly make Berkeley the exciting place it is.

Berkeley is the home of international corporations like Bayer which under the leadership of Dr. Wolf Busse maintains a strong partnership with the City that brings significant benefits to our community, particularly our youth. We are the home of national corporations such as Power Bar, a corporation Brian Maxwell built based on a good product, a love of UC Berkeley and the joy of sports. Then there is our very special Chez Panisse which influenced the entire American culture, but there are also the food carts like Spud Brothers that grew up to become two restaurants and wonderful places like Ali's and Abraham's E-Z Stop Deli on Shattuck. No need to wonder why we're the only city with our own booth at the International Fancy Food Show! No other city anywhere in the world can match Berkeley. So, tonight we celebrate this wonderful, always interesting, always exciting community.

You and I have been on a remarkable journey. We've seen a renaissance of our Downtown into a cleaner, more pleasant place with a ground floor vacancy rate that has gone from around 17% to about 6%. A new restaurant will open in Downtown in a few days, a major new retailer, Eddie Bauer, will open this spring. On the horizon, another new restaurant, new retail, new theater screens, possibly a new hotel. We've approved the partnership to expand the Berkeley Repertory Theater which will anchor the Downtown Arts and Theater District and generate additional dollars from the new stores, restaurants and galleries it will attract. Supporting our vibrant new downtown are 273 new housing units, some already built, others in construction, built entirely with private dollars! Of those units, 63 are affordable to low income people and all are adaptable for the disabled. Thank you Patrick Kennedy and Avi Nevo for the courage of your investment in our future.

We've trumpeted the message of pride in Berkeley and that business is welcome here. That message has been heard and today the list of new businesses is impressive. One, Pyramid Brewery has brought good food, wonderful fun, and about 150 new jobs, 70 of which went to unemployed Berkeley residents. Thank you Sandy Monblat. This year, new business activity provided about half a million

dollars in new revenues.

Berkeley prospers, but also faces daunting challenges. \$42 million for street repair, \$10 million for sidewalks and \$76 million for storm drains; 3,000 Berkeley residents asked for but did not receive medical care because they could not pay for it; 1,300 Berkeley families face the stark reality of welfare reform; we could lose 15,000 housing units, and the lives of hundreds of residents in the major earthquake that will strike us in the next 25 years; many in our South and West Berkeley neighborhoods feel ignored; Telegraph Avenue is troubled; our children don't have enough playing fields or safe play equipment; the needs of our disabled residents have not been met; and we suffer from pervasive fiscal and governance problems.

As your Mayor, even your Mayor without a declared Council majority, it is my solemn responsibility, my great privilege, to present an agenda to address these challenges. I will not retreat from my duty to move this City forward at a sure and steady pace to fulfill a bold agenda for the future. Obviously, we must be practical, but we will achieve nothing if we are too timid. It reminds me a little of that old saying that is you shoot for the moon and miss, you are still among the stars. This, then, is where I would lead this City:

A community of partnership, opportunity and hope keeps us safe from urban predators and the ravages of natural disasters:

Public safety is our highest priority. We must support our fire and police officers-the finest in California. We must do that and more.

Each year, Berkeley has approximately 500 incidents of domestic violence. According to the American Medical Association, domestic violence is the number one cause of injury to women today. I want to thank Virginia Dillon of the Family Violence Law Center, former Councilmember Wainwright and Councilmembers Spring and Armstrong for the sound work they did on the Mayor's Task Force on Domestic Violence. As a result, Berkeley received \$750,000 in grant money, our Police Force is one of the few that has a domestic violence unit and our Police Chief has woven domestic violence prevention into the curriculum of a special program

delivered to me yesterday.

It is my company, but when I was meeting yesterday \$12 million in shares
against the million for yesterday and the million for the third quarter 1999. Yesterday
it was asked for but this was not a total loss because they would not pay for it
/ 100 shares. Yesterday for the third quarter of 1999, the company was asked for \$12 million
company today and the loss of hundreds of thousands in the major companies. That
will be the case in the next 24 years, money in the bank and then the company will be
ready to pay. I believe it is not a total loss but the company will not pay for it
paying back or the day's payment. The result of our financial statement is not
improving and we suffer from financial problems and government problems.

As your father, I am a shareholder in the company. I am a shareholder in the company
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in our schools to combat drugs. We must maintain these programs and build a transition shelter for battered women and children in Berkeley this coming year.

Crime does not respect City boundaries so, I want to acknowledge former Assemblyman Bates and former Mayor Hancock for their work in the formation of the East Bay Public Safety Corridor Partnership - a regional partnership to fight crime that covers 1.2 million people across two counties in a 75-mile corridor along I-80. I am the Chair of this regional partnership which this year was recognized by Attorney General Janet Reno and which has led the fight to ban the sale of junk guns - so-called Saturday Night Specials. In California, guns kill more kids than car crashes, drugs or diseases combined. Spurred on by Dean Calhoun of Youth Alive!, the Corridor influenced 44 California communities, including Los Angeles, to enact legislation to prohibit the sale of junk guns. The Governor vetoed the statewide bill. I promise you, the Partnership will try again and the Corridor's agenda - a uniform truancy policy, extended school programs, improved law enforcement communication between jurisdictions, and expanded federal funding opportunities to pay for needed social programs such as our Berkeley High School Health Clinic - will be moved forward.

El Niño brought us 40 inches of rain in 2 months, double what we usually experience in a whole year, and about \$4 million in damages. I want to acknowledge the strength and spirit of Grace Fretter, the 70+ year old woman who lost her home of more than 40 years. I thank Councilmember Olds for her untiring work in her District which has been devastated by these storms. There are 9-10 other houses at risk right now. Our heart goes out to them, and I want to assure them their City will help in whatever ways we possibly can. Our Public Works Department has done an enormous job throughout this difficult period. Thank you all.

We must take action to protect our residents and hasten recovery from floods, earthquakes and firestorms. I have personally met with President Clinton and Federal Emergency Assistance Director James Lee Witt on this matter. With the excellent staff work from the City Manager's Office, I am optimistic we will receive

federal assistance to help us achieve the goal of a Disaster Free Community. I am pleased they have praised Berkeley, but we would like the check please. We are seeking funds to repair Alvarado Road from the damages of the '91 firestorm and to create an environmentally sound buffer defense zone to protect us from the wild fires that have destroyed so many Berkeley homes over the years.

Our biggest challenge will be reducing the loss of lives and estimated loss of 15,000 housing units from the major earthquake we know is coming within the next 25 years. We must maintain all existing programs to seismically retrofit our homes, seek participation in the new Americorps Summer Semester Program that trains and employs young people to make our homes safer from earthquakes, and re-establish programs to train citizens in first aid and search and rescue. Thank you Martha Jones for your organizational model.

We must re-open the discussion with banks, and press FEMA to help us, to establish a loan authority to offer low-interest loans to seismically upgrade all types of buildings but especially unreinforced masonry and soft-story apartment buildings.

We must continue the partnership that I introduced that retains experts from UC Berkeley to advise the City in our public building projects - a program that has given hundreds of thousands of dollars in cutting-edge structural engineering expertise to the City at next to nothing cost. The idea for the Seismic Technical Advisory Group came from Robert Krumme and I thank him for his persistence in advising the City on this and other engineering matters.

On May 1, more people will move from the unsafe Civic Center Building. The Civic Center Building needs to be retrofitted and so does Old City Hall and the two tied together visually across a restored Civic Center Park. The decision to retrofit Civic Center Building has been made by the voters and I ask the Council to stop using staff time to look for a site on which to build a new City Hall. Keeping the Civic Center and Public Safety Buildings on budget and on schedule and seeking new outside funds for restoring Old City Hall must be the Council's priority focus.

A community of partnership, opportunity and hope invests in our children and our

future:

While the School Board has responsibility for our schools, the matter of education is so important to the City that we must do whatever we can to assist the District. One of the first questions individuals or businesses who are considering locating here ask is about the quality of our schools. So, what we have to do, we will do - nag about the cleanliness of the bathrooms at Berkeley High, read stories to 3rd graders, work as mentors, encourage our children to learn about their City government, share equipment or services. WE MUST DO IT!

City and School District work together on the 2x2 Committee. I want to expand that work to include developing a mentoring program and joint purchasing plans, employee transportation projects, and vehicle and building maintenance programs. I want to acknowledge Councilmember Maio for her work on that Committee. As Mayor, I have met children and teachers in classrooms all over this City. Each time I have been impressed. The children were well behaved, enthusiastic about learning and doing impressive work. I thank the teachers in the district who do the work of angels, Superintendent Jack McLaughlin and School Board members, Miriam Topel, Pamela Doolan, Ted Schultz, Lloyd Lee and Joaquin Rivera. I also thank Kristin Prentice, a member of the site committee for Columbus School, for her work in creating a magnificent new school that is a fine example of school, City and private business partnership for the sake of our children.

Research shows the most important period in a child's development is the time from birth to kindergarten, yet these are the year's that receive little attention. These years are when it is most effective to make positive change. Every dollar spent in prevention saves at least \$7 spent in the juvenile justice system. I am, therefore, proposing a Berkeley Pre-Natal to Kindergarten Healthy Child Initiative - a partnership between City, School District and UC Berkeley. This partnership will provide health care, family counseling, intellectual stimulation, school readiness, recreational and nutritional services to every Berkeley child. We are not just rearranging services we now provide; we are revolutionizing the traditional concept of educat-

ing children. Imagine all of our children being healthy, ready to enter kindergarten, with a bright and shining future stretching before them. I would particularly like to thank Mark van Kriegen for his encouragement in this bold venture.

We have many programs that help our at-risk children. We should continue them, but we must also recognize our youth who in spite of everything, succeed. They stay in school, are good citizens, go to college or secure employment. They are Berkeley's kids and they are wonderful. We have learned the value of recognition of these children and their families from our good friend, Dr. Salvador Murillo. Sal, stand up and be recognized yourself! I also thank Elma Gameros who works so hard at Adelante to reach our Latino youth and their families.

As we approach the millennium, our City needs to ensure that every child, home, school, business and City building has access to the internet. Within the year, TCI, our cable television provider, will go digital, presenting an unprecedented opportunity to hook home television sets into the net. We must seize this opportunity to increase educational opportunities for our children and families, open up new worlds of job opportunities, and involve more people in government. Thank you Tom Luten for this project. You will be able to sit in your living room, watch the Council in action and communicate your thoughts to your representatives.

A community of partnership, opportunity and hope provides more playing fields, safe tot lots and improved access to open space:

Healthy bodies actively engaged in sports improve school performance. It is far better to have our young people engaged in constructive sports rather than hanging around on street corners. The City must move now to secure UC property at 4th and Harrison. By working with Albany we can create a 14-acre sports complex with playing fields and a skateboard park on University-owned land that stretches across both cities. Thank you to Fred Collignon, Doug Fielding, David Ritvo, Phil Catalpho, David McGinnis, Ellen Brotsky and Jane Hammond for their leadership on this issue. The City's slogan for this year must be - Let our kids play ball by this fall!

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Last year, thanks to the work of people like William Clark, we found out that over 16 playground projects used by our youngest children needed over \$1 million to make them safe. Today, 11 need funding for elimination of hazards at a cost of \$683,000. Let's get on with it and evaluate loaning money from other slow moving capital projects to get this job done now! We must not put our children at risk!

We must proceed with the construction of the pedestrian, bicycle overpass across I-80. We've obtained funding, completed planning and are now in the design phase. This project is for everyone - walkers, the elderly, the disabled, joggers, children. In our built-environment, we cannot provide enough needed open space but we can make existing open space more accessible. By connecting the overpass to the Bay Trail and to the Ridge Trail, we can open up magnificent vistas and exciting open space opportunities for everyone!

We must acquire the KBLX radio property adjacent to Aquatic Park. Thank you Mark Liolios for your persistence that this lagoon become part of the bird habitat in Aquatic Park. I commit my Office to pursue the grants needed for its purchase!

A community of partnership, opportunity and hope actively supports its neighborhoods:

I came to City government from a neighborhood organization and I know that in today's fast-paced environment and increasingly complex problems, City government must not overlook its neighborhoods-the basic building blocks of our community. We must broaden the discussion and bring more information into all parts of the City. People everywhere are hungry for information - a hunger that left unfulfilled, causes anger and incivility, makes people believe conspiracies are afoot, and disconnects them from the democratic process.

As a follow up to tonight, and in preparation for the up-coming budget, I will hold four town hall meetings, April 6 in the North Berkeley Senior Center, April 14 at West Berkeley Senior Center, April 22 at the South Berkeley Senior Center and April 29 at St. Clements. Further, the Council needs to find ways to support the City Manager staff getting out into the community more.

Far too many residents in our South and West Berkeley neighborhoods feel their neighborhoods do not receive a fair share of the City's resources and attention. They saw their neighborhoods suffering from blight. In response, I formed the Committee on South Berkeley and identified 26 blighted properties, some of which had been vacant and deteriorating for as long as 30 years. Today, through the hard work of City staff and Committee, 18 have been or are being reclaimed into good housing. I want to acknowledge the work that Vice Mayor Shirek is doing as chair of that Committee. I also want to thank Thelma Ferguson, Elsie Bell and Karen Hata who have been so faithful in their involvement right from the beginning. We need to address this same problem in West Berkeley where more than 40 properties are blighted. This is unacceptable in any neighborhood and must be corrected!

Two years ago, I was able to gain approval for the unheard of idea to have the residents of South and West Berkeley decide themselves how to use a modest sum of federal money. They made wonderful decisions - to repair a youth center, a senior center and a health clinic, to start a training program for youth to help repair homes of low income elderly, and to assist in the construction of Columbus School. Entrusting neighbors to make these decisions was real empowerment and they stepped up to the challenge. Unfortunately, some people here got nervous about this and decided it shouldn't be done, but I want you to know, I will seek such funds again and again for this kind of true empowerment of people in our neighborhoods!

The City's Corporation Yard sits in the midst of a pleasant residential neighborhood. Years ago I made a motion to set Council policy that the Corporation Yard must be moved to a more appropriate location. Nothing happened. Moving it will take time and the will to do it. We must start now. A temporary Council committee looking at uses in the Corporation Yard is the means to begin and I want to acknowledge the efforts of Councilmember Woolley as chair of that committee.

Neighborhoods work hard at improving the quality of life and the problem of getting rid of drug dealers is one of the toughest they have to face. This year, the neighbors on 8th Street and Channing reclaimed their block by installing new

lighting using their own funds and labor with assistance from the City and others. Thank you Lou Quintance, Jean Matsuno and Jim Smith. Thank you Susie Gaines from Tyler Street which pioneered the porch light program. Thank you Joe Campbell for your leadership in North Berkeley to preserve the City's wonderful street trees. Thank you Charles Robinson, Max Anderson, Susie Bluestone and Frank Brown who worked to bring a grocery store to the vacant Oregon Street Safeway site. Thank you Phil O'Hay, Gail Keleman, Linda Perry and the Friends of the Fountain for that lovely gift of joy, the Marin Circle Fountain. Thank you David Bard for the neighborhood negotiations that brought Mr. E's Jazz Club to Shattuck Avenue. All of you have followed the proud tradition of Laura and Ed Bennett and the San Pablo Neighborhood Association, probably the City's oldest neighborhood group that worked on re-zoning and housing rehabilitation. You are the models for how we can work together constructively. I propose calling all neighborhood groups come together to discuss the City Manager's proposed Department of Neighborhood Services and what its mission will be.

A community of partnership, opportunity and hope steps up to the needs of welfare reform:

Last year, about 3,000 of our residents did not receive medical care they needed because they couldn't pay for it. About 1,300 families in our community that are now on welfare face the stark reality of welfare reform now called TANF-Temporary Aid to Needy Families.

Berkeley is proud to have many job preparation and placement services. We will place this summer around 600 Berkeley youngsters in our YouthWorks program and our Work Source program has placed almost 1,000 Berkeley residents since 1994-95. We must bring all of these agencies, city and community, plus JobWorks in the City of Emeryville together for the purpose of developing a coordinated, comprehensive response to the challenges we face under welfare reform. Job training and placement must be linked with child care agencies and with City plans to create a one-stop employment center. And the City in connection

lighting, sound, and other factors that affect the quality of the environment. These factors are often overlooked in the planning process, but they are essential for creating a high-quality environment. The City of Los Angeles has a long history of environmental planning, and it is committed to continuing this tradition. The City's Environmental Planning Department is responsible for developing and implementing the City's environmental policies. This department works closely with other City departments and the community to ensure that the City's environmental goals are achieved. The City's environmental planning process is a continuous one, and it is essential for the City to stay up-to-date on the latest environmental issues. The City's Environmental Planning Department is committed to this process, and it is dedicated to ensuring that the City's environment is protected for future generations.

A new program of environmental planning is being implemented in the City of Los Angeles. This program is designed to improve the City's environmental planning process and to ensure that the City's environmental goals are achieved. The program includes a number of new initiatives, including the creation of a new environmental planning department, the development of new environmental planning policies, and the implementation of new environmental planning programs.

One of the key initiatives of the new program is the creation of a new environmental planning department. This department will be responsible for developing and implementing the City's environmental policies. It will also be responsible for coordinating the City's environmental planning efforts with other City departments and the community. The new department will be headed by a senior environmental planner, and it will have a number of staff members who will be responsible for carrying out the department's duties.

Another key initiative of the new program is the development of new environmental planning policies. These policies will be designed to improve the City's environmental planning process and to ensure that the City's environmental goals are achieved. The policies will cover a wide range of issues, including air quality, water quality, and land use. The City's Environmental Planning Department is currently working on developing these policies, and it is expected that they will be completed in the near future. Once the policies are developed, they will be implemented by the new environmental planning department.

with our employee union representatives, must look at creating a series of jobs that we are not now doing - path reconstruction, park repairs, painting, maybe even sidewalk repair and also seek to put Berkeley people to work on construction projects using public dollars. We cannot afford to do less!

We must ensure decent housing and protect people from homelessness, particularly our elderly who have worked hard all their lives and are now vulnerable. The Over 60's housing and health care services for the elderly planned for Sacramento and Alcatraz must be completed. We must complete the Prince Hall Arms housing project for the elderly in South Berkeley. In addition, we must develop the vacant lot at Haste and Telegraph and I declare my preference to be for rental studios for the working poor. And I call again for developing a Habitat for Humanity project in Berkeley.

Health care remains our most difficult problem. Marty Lynch and Dr. Henrik Blum of Primary Care Access are working on a proposal for a clinic based upon volunteer professional services in existing space. I want to thank George Caralis at Alta Bates for the hundreds of thousands of dollars they give to this community to help meet the health care needs of our residents.

A community of partnership, opportunity and hope meets moral and legal obligations to its disabled residents:

For Berkeley to be in compliance with Americans with Disability Act requirements, we must make about a \$16 million investment. Besides including ADA requirements in projects like the Civic Center and Library retrofit, the City Manager included \$750,000 for ADA projects in parks, buildings and curb cuts in the 1997-98 budget. The Manager proposes this same amount for each year of his 5-year budget plan, pending future appropriation by the Council. We must support this plan because it is a legal obligation and it is the right thing to do. Let's thank Jean Nandi who spearheaded the plan, and Joshua Miele, from the Commission on Disability.

We have before us an exciting opportunity to support a project to be built at the South Berkeley BART Station that will bring together many of the agencies that

serve the disabled community, allowing them to operate more efficiently and honoring a great man, Ed Roberts. This project will help people as well as bring economic development to South Berkeley and confirm again Berkeley's position as the home of the movement which fights for all people to have full access. The Ed Roberts Campus must receive preliminary funding this year from the City with the agencies raising \$12 million in construction costs themselves.

A community of partnership, opportunity and hope respects the environment:

A sustainable community is one in which people work together to build community recognizing the linkage between our economic, environmental and social well-being. Years ago, I proposed adoption of the environmental policies called the Valdez Principles. I propose now that Berkeley adopt a Sustainability Charter to join the Valdez Principles to be a policy framework for the future.

The federal government is moving closer and closer to connecting directly with cities. One such project is funding to encourage the installation of sun powered photo-voltaic cells to generate electricity. Berkeley must take full advantage of government movement in this direction. Relationships with the Department of Energy must be built, just as they must be built with FEMA. I propose that Berkeley host a regional conference with the Department of Energy on building sustainable communities. Further, in the building of public facilities we must use state-of-the-art energy saving devices, not only because it is good for the environment but because it is cost effective for the future.

A community of partnership, opportunity and hope promotes healthy development

We cannot ask our tax payers to pay more. Instead we must generate new revenues to pay for our needs and the place to get new revenue is from new business. Recent events show that we cannot talk about attracting new business without addressing the issue of preservation.

Preservation is vitally important to our future. I want to thank the many who work to ensure our heritage is preserved. This past year we established a Mills Act contract process giving some owners of landmarks significant property tax reduc-

tions. Thank you Robert Kehlman, Chair of the Landmarks Commission and Monica Rohrer, President, Berkeley Architectural Heritage Association. Now, we must develop a demolition ordinance that everyone understands. I have made a commitment to BAHA to work on creating a model demolition ordinance and to do it soon.

Economic development is also about clean streets. We purchased one Clean Machine, but we need two more to get our commercial areas clean. Today, nowhere is the need to clean up as strong as it is on Telegraph Avenue. The City must partner with students, residents, the University and business to solve Telegraph's problems and we must do it soon because for many, Telegraph Avenue is Berkeley. There's lots to be done and I acknowledge the job Councilmember Worthington, as Chair of the Council Subcommittee on Telegraph Avenue, has in sorting it all out. However, the human defecation and urination on Telegraph is not to be tolerated. We must install two self-cleaning automatic public toilets on Telegraph Avenue and two Downtown within the next 6 months, using reserve funds if necessary. It is a matter of public health and common human decency!

Whatever we do to revitalize Downtown and Telegraph will not be easy because of that great issue - parking. Given the new development we are and will experience - doubling in size of the Berkeley Rep, increased use of the Community Theater, new movie screens, basketball games at Haas Pavilion- parking is an issue. One made more urgent by Council's approval to demolish Hink's Garage. We must work very hard to reduce use of the automobile, improve public transportation, and I fully intend to pursue my free bike program, but at the same time, we must replace ALL the parking lost from the Hink's decision, as well as ADD MORE. The decision to place the Courthouse at the Hink's site was a mistake. The community has made it very clear: 1) it wants a courthouse in Berkeley; and 2) it does not want to lose the parking at Hinks. Council, it is time to listen to the community!

I want to thank Miriam Ng, Dana Ellsworth, Cathy Berger, Dan Craig, John deClerq and former Mayor Jeffrey Leiter for their constant vigilance in informing us

about business issues. I also thank Councilmember Breland for her work in providing grants to San Pablo Avenue businesses to fix up their facades. San Pablo can and should be a grand boulevard that proudly announces Berkeley along its length.

A community of partnership, opportunity and hope builds a government that is fiscally sound, controls costs and maintains a high level of productivity:

A City employee said to me recently that he and his fellow workers see the graphs showing revenue and expenditures, and they note that the lines never come together so they know this means trouble. Exactly right! The City Manager has begun projecting the fiscal impact of decisions over a 5-year period. He must be applauded for his efforts to get costs under control and this is the right beginning.

The Manager has also taken the first steps to reshape the City into a more efficient, productive, responsive organization. We must support these efforts and ensure that they are undertaken in a partnership that involves him, department heads, employees, residents and the Council. The Council must put our differences aside, set priorities and goals, allow the Manager to manage, and make timely decisions. We have some wonderful employees who go well beyond what is expected of them - I recently got a letter praising a City employee who helped an elderly woman trap and dispose of a rat in her home, moving furniture, even a piano in the process. That was one happy resident! We don't always get such happy letters. I want employees to be empowered to work across departmental lines, to make decisions that help people, to place service to you as their highest calling, who so love their jobs they go the extra mile. You can only get that when you work with people. We need to adopt the advanced personnel and management policies of some of our best high tech companies.

We must also develop a productive organization. The lines between revenue and expenditures must converge. Let us pledge here and now to form the partnership that will focus on constructive problem solving. Berkeley can attract new business to bring in new revenue, and become more efficient so we can reduce both

our infrastructure backlog and the enormous tax load that so impacts our elderly on fixed incomes and our young families trying to live here. In fact, we can start reducing that load right now by rolling back the enormous increases in the sewer fees we have added to everyone's water bills!

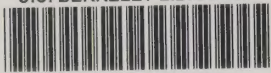
As a start on productivity we need to look at setting performance standards, providing incentives for money saving ideas and utilizing such mechanisms as a productivity bank where departments receive loans of money from the city to implement ideas that save money with such loans having to be paid back with interest. It's an idea that has worked well in other cities- let's look at it here in Berkeley!

And once again let us re-visit a priority from my 2nd State of the City - persuading the State to return to Berkeley the more than \$4 million in local tax money they take from us annually. We will continue this fight without let up!

In closing, Berkeley must also continue to be a healing community. With the compassion of Country Joe McDonald, we have taken steps to bring healing to the scars left by the Vietnam War, hosting the Wall that Heals and absorbing the pain left in this community. With the brotherly love of Reuben and Joe de Alba, the wrong done to our West Berkeley heroes who lost their lives in Korea has been righted by bringing their monument to the place previously denied to them. We must bring that same sense of compassion as we deal with the lost and homeless children on Telegraph Avenue and those in our midst who have little hope. While we cannot meet all of the needs, we must meet our share and we must provide leadership for a regional solution. Thank you Keith Carson for leading a delegation that I and some Berkeley staff were a part of, that brought back over \$11 million to find that solution and an extra \$50,000 for extra shelter for the homeless in Berkeley during El Niño. We must continue this work with dedication and energy.

I am confident Berkeley can solve the challenges we face. I invite you to join me in building a community of partnership, opportunity and hope.

Thank you, Happy St. Patrick's Day and good luck to us all.



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